

## Message Text

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21

ACTION EB-07

INFO OCT-01 EA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

DOT-00 INR-05 NSAE-00 RSC-01 FAA-00 SS-15 NSC-05 L-02

H-01 /045 W

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R 170923Z DEC 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9199

C O N F I D E N T I A L MANILA 14822

E.O. 11652: GDS

TAGS: EAIR, RP

SUBJECT: CIVAIR -- PAN AM ALL-CARGO PERMIT

REF: MANILA 14723

1. ISSUES REVIEWED FULLY DEC. 16 WITH MABILANGAN. WHILE ON FIRST DAY IN OFFICE SINCE EARLY AUGUST AND SOMEWHAT OUT OF TOUCH WITH LOCAL DEVELOPMENTS IN CASE, HE WELCOMED REVIEW. IN BRINGING MABILANGAN UP TO DATE ADCM STRESSED FOLLOWING MAIN POINTS:

A. INTERIM AGREEMENT. ADCM RECALLED THAT PAL HAD WANTED TO DESIGNATE A CARGO CARRIER BUT U.S. HAD REFUSED SUCH A FORMULATION, INSISTING THAT BOTH CARGO CARRIERS BE COVERED IN PARAGRAPH REFERRING TO CARGO SERVICES. PAL HAD THEN TRIED, AS REFLECTED IN THE GOP FORMAL NOTE OF PROTEST ON THE SAN FRANCISCO SEIZURE TO GET FTL RIGHTS CANCELLED, THUS LEAVING PAN AM AS THE REMAINING AUTHORIZED U.S. CARRIER. HAVING FAILED IN THAT BY VIRTUE OF ASSURANCE FROM PRESIDENT MARCOS, PAL NOW WAS BENT ON DISLODGING PAN AM. ALL OF PAL'S ACTIONS RECOGNIZED THE VALIDITY OF THE RIGHTS INVOLVED UNDER THE AGREEMENT, AND ONLY DEVICE PAL SEEMED TO HAVE WAS AN ACCUSATION OF MISCONDUCT. MABILANGAN RECALLED THAT ONLY FTL RIGHTS HAD BEEN CALLED INTO QUESTION DURING AUGUST TALKS.

B. PAN AM PERMIT. BASIC PERMIT, ISSUED IN 1966, WAS FOR  
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MILITARY CARGO AND MAIL ON COMMERCIAL FLIGHTS VIA MANILA. THIS

PERMIT LATER WAS MODIFIED TO PERMIT 8181 KILOS PER MONTH OF COMMERCIAL CARGO IN ADDITION TO MILITARY CARGO AND MAIL. THAT PERMIT, REGULARLY REISSUED AT SIX-MONTHLY INTERVALS BY PHIL CAB UNTIL OCTOBER 1974, REPRESENTS THE MINIMUM PAN AM CARGO RIGHT CONTEMPLATED BY AUGUST 10 AGREEMENT. ADDITIONAL RIGHTS WERE GRANTED TO PAN AM ON A WEEK-TO-WEEK OR CASE-BY-CASE BASIS AND AUTHORITY OF PHIL CAB TO DO THIS WAS AFFIRMED IN COURT IN 1971 WHEN CHALLENGED BY PAL. THIS PRACTICE STRICTLY SPEAKING IS A PART OF THE STATUS QUO.

C. FUTURE TALKS. MABILANGAN UNDERSTOOD THAT EXISTING CARGO RIGHTS UNDER THE AGREEMENT WOULD NOT BE ALTERED PENDING THE NEXT ROUND OF TALKS. HE ASKED WHEN THAT WOULD BE AND WAS INFORMED THAT WE HAD PROPOSED TO SCHEDULE THEM AFTER FIRST OF THE YEAR BUT GOP HAD NOT RESPONDED. RATHER ROMUALDEZ SEEMED TO BE HOLDING UP DECISION UNTIL HIS RETURN TO MANILA.

2. MABILANGAN, AS MIGHT BE EXPECTED, WAS UNWILLING TO COMMIT HIMSELF BEFORE A REVIEW OF THE TWO PENDING CASES WITH PHIL CAB. HE AGREED, HOWEVER, TO TALK WITH CAB AND TO OBTAIN INSTRUCTIONS FROM ROMULO AS SOON AS THE GENERAL (NOW DOWN WITH FLU) RETURNS TO THE OFFICE.  
SULLIVAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AIR CARGO, NEGOTIATIONS, LICENSES  
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**Copy:** SINGLE  
**Draft Date:** 17 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Reference:** 74 MANILA 14723  
**Review Action:** RELEASED, APPROVED  
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**Review Date:** 09 AUG 2002  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
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**TAGS:** EAIR, RP, PANAM, FLYING TIGER AIRLINES  
**To:** STATE  
**Type:** TE  
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